



CALIFORNIA STATE EMPLOYEE 401(k) & 457 PLANS

Socially Responsible Fund

Managed by Boston Trust & Investment Management Company

Strategy Effective 1/1/13

Objective

The Fund seeks to provide long-term capital appreciation and current income by investing in companies that meet certain environmental, social and governance criteria, resulting in a total investment return consistent with a balanced investment approach.

Strategy

The Socially Responsible Fund invests in stocks, bonds and money market instruments in order to provide a complete investment portfolio of socially responsible investments. The Fund tactically alters the allocation of assets between stocks and bonds based on the investment manager's assessment of the market outlook and the relative attractiveness of the underlying asset classes in order to optimize portfolio return and reduce portfolio risk. The Fund will generally hold 60% stocks and 40% bonds; however, the allocation of stocks can range from 45% to 75%. The Fund will primarily invest in high-quality, large and mid-capitalization equity securities as well as investment-grade bonds; a small portion (up to 15%) of the equity allocation may be invested in foreign stocks.

The Fund is managed by Boston Trust & Investment Management Company.

Effective January 2013, the performance of the Fund will be measured against a blended benchmark consisting of 60% S&P 500 Index and 40% Barclays U.S. Aggregate Bond Index (see Additional Disclosures for definition).

Consider investing if:

You want to invest in companies committed to socially responsible practices that will provide both capital appreciation over the long-term as well as current income.

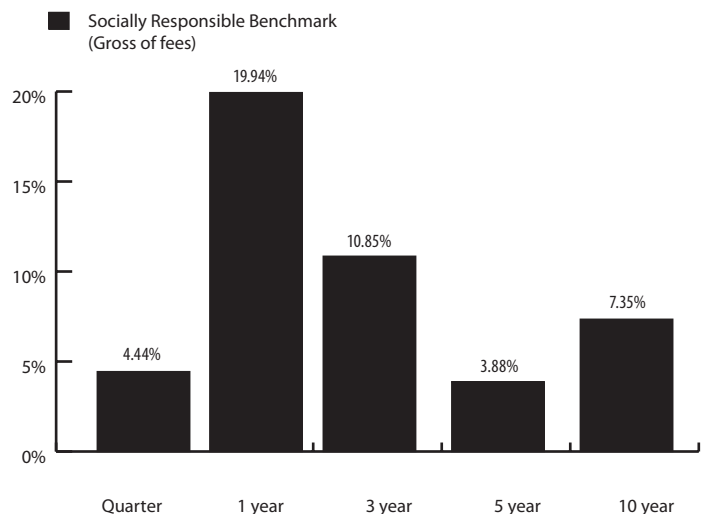
Portfolio Manager Information

- Investment Manager: Boston Trust & Investment Management Company
- Management Team: William Apfel
- Manager Location: Boston, MA
- Total Strategy Assets Managed: \$1.1 billion
- Investment Strategy Inception Date: 1981

Fees

No transaction fees are charged for investment in the Fund. Instead, the Fund indirectly incurs management fees that are charged by the investment fund in which the Fund invests. The estimated annual management fee for the Fund as of September 30, 2012 was 0.37%. Fees are netted out of the performance of the Fund.

Performance of the Index (as of 9/30/12)



The S&P500® Index is an unmanaged index of the common stock prices of 500 widely held stocks. The Barclays U.S. Aggregate Bond Index is an unmanaged, market-value weighted index of investment-grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities with maturities of one year or more.

The index returns do not include the deduction of investment management fees, expense reimbursement and custodial fees, which would lower a participant's return. The index performance is not indicative of future results of the Fund, and because of ongoing market volatility, the Fund's performance may be subject to substantial fluctuations.

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Important Information about Risk

Risk of Investment Loss – Generally

No warranty is given by the Trustee or Investment Adviser as to the performance or profitability of any Fund, and there is no guarantee that any Fund will achieve its investment objective. A Fund may suffer loss of principal, and income, if any, will fluctuate. The value of a Fund's investments will be affected by a variety of factors, including, but not limited to, economic and political developments, interest rates, issuer-specific events, market conditions and sector positions. Investment in a Fund is not a deposit or obligation of the Trustee or of any other bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation, Securities Investor Protection Corporation, or any other government agency or instrumentality.

Risks of Investing in Equity Security/Stock Market Volatility

In general, each Fund is subject to the risks associated with investments in common stocks and other equity securities. Stock values fluctuate in response to the activities of individual companies and in response to general market and economic conditions. Accordingly, the value of the stocks that a Fund holds may decline over short or extended periods. The U.S. stock markets tend to be cyclical, with periods when stock prices generally rise and periods when prices generally decline.

Risks of Investing in Fixed Income Securities

To the extent that a Fund invests in fixed income securities, it will be subject to the risks associated with investments in fixed income securities. These risks include interest rate risk, credit risk and call/extension risk. In general, interest rate risk involves the risk that when interest rates decline, the market value of fixed income securities tends to increase (although many Mortgage-Backed Securities will have less potential than other debt securities for capital appreciation during periods of declining rates). Conversely, when interest rates increase, the market value of fixed income securities tends to decline. Credit risk involves the risk that the issuer could default on its obligations, and a Fund will not recover its investment. Call risk and extension risk are normally present in Mortgage-Backed Securities and asset-backed securities. For example, homeowners have the option to prepay their mortgages. Therefore, the duration of a security backed by home mortgages can either shorten (call risk) or lengthen (extension risk). In general, if interest rates on new mortgage loans fall sufficiently below the interest rates on existing outstanding mortgage loans, the rate of prepayment would be expected to increase. Conversely, if mortgage loan interest rates rise above the interest rates on existing outstanding mortgage loans, the rate of prepayment would be expected to decrease. In either case, a change in the prepayment rate can result in losses to Participating Trusts.

Interest Rate Changes

Debt and money market securities have varying levels of sensitivity to changes in interest rates. In general, the price of a debt or money market security can fall when interest

rates rise and can rise when interest rates fall. Securities with longer maturities, mortgage securities, and the securities of issuers in the financial services sector can be more sensitive to interest rate changes. In other words, the longer the maturity of a security, the greater the impact a change in interest rates could have on the security's price. In addition, short-term and long-term interest rates do not necessarily move in the same amount or the same direction. Short-term securities tend to react to changes in short-term interest rates, and long-term securities tend to react to changes in long-term interest rates.

Geographic Concentration

Political and economic conditions and changes in regulatory, tax, or economic policy in a country could significantly affect the market in that country and in surrounding or related countries.

Conflicts of Interest

The involvement of the Trustee and/or the Investment Adviser and their affiliates in the management of, or their interest in, other accounts may present conflicts of interest with respect to each Fund or limit its investment activities. The Trustee and the Investment Adviser and their other advisory affiliates, may engage in proprietary trading and advise accounts and funds which have investment objectives similar to those of the Funds and/or which engage in and compete for transactions in the same types of securities, currencies and instruments as the Funds. The Investment Adviser will not have any obligation to make available any information regarding their proprietary activities or strategies, or the activities or strategies used for other accounts managed by them, for the benefit of the management of the Funds. Therefore, it is possible that a Fund could sustain losses during periods in which the Investment Adviser and its affiliates and other accounts achieve significant profits on their trading for proprietary or other accounts. In addition, the Funds may, from time to time, enter into transactions in which other clients of the Investment Adviser have an adverse interest.

Financial Services Exposure

Financial services companies are highly dependent on the supply of short-term financing. The value of securities of issuers in the financial services sector can be sensitive to changes in government regulation and interest rates and to economic downturns in the United States and abroad.

Industry Concentration

Market conditions, interest rates, and economic, regulatory, or financial developments could significantly affect a group of related industries, and the securities of companies in that group of related industries could react similarly to these or other developments.

The technology industries can be significantly affected by obsolescence of existing technology, short product cycles, falling prices and profits, and competition from new market entrants.

Prepayment

Many types of debt securities, including mortgage securities, are subject to prepayment risk. Prepayment occurs when the issuer of a security can repay principal prior to the security's maturity. Securities subject to prepayment can offer less potential for gains during a declining interest rate environment and similar or greater potential for loss in a rising interest rate environment. In addition, the potential impact of prepayment features on the price of a debt security can be difficult to predict and result in greater volatility.

Issuer-Specific Changes

Change in the financial condition of an issuer, changes in specific economic or political conditions that affect a particular type of security or issuer, and changes in general economic or political conditions can affect the credit quality or value of an issuer's securities. Entities providing credit support or a maturity-shortening structure also can be affected by these types of changes. If the structure of a security fails to function as intended, the security could decline in value. The value of securities of smaller, less well-known issuers can be more volatile than that of larger issuers. Smaller issuers can have more limited product lines, markets, or financial resources. Lower-quality debt securities (those of less than investment-grade quality) and certain types of other securities tend to be particularly sensitive to these changes.

Lower-quality debt securities and certain types of other securities involve greater risk of default or price changes due to changes in the credit quality of the issuer. The value of lower-quality debt securities and certain types of other securities often fluctuates in response to company, political, or economic developments and can decline significantly over short periods of time or during periods of general or regional economic difficulty. Lower-quality debt securities can be thinly traded or have restrictions on resale, making them difficult to sell at an acceptable price. The default rate for lower-quality debt securities is likely to be higher during economic recessions or periods of high interest rates.

Risks of Investing in Small Capitalization Companies

The equity securities of small capitalization companies involve greater risk and portfolio price volatility than investments in large capitalization stocks. Historically, small market capitalization stocks and stocks of recently organized companies have been more volatile in price than the larger market capitalization stocks included in the S&P 500® Index. Among the reasons for this greater price volatility are the less certain growth prospects of smaller firms and the lower degree of liquidity in the markets for such stocks. The Structured Small Cap Fund (and any other Fund that invests in small capitalization companies) will be subject to these risks.

Risks of Illiquid Securities

Each Fund may invest in certain illiquid securities that cannot be readily disposed of in the ordinary course

of business at fair value. Illiquid securities include:

- Both domestic and foreign securities that are not readily marketable.
- Certain participation interests.
- Repurchase agreements and time deposits with a notice or demand period of more than seven days.
- Certain over the counter options.
- Certain structured securities and all swap transactions.
- Certain restricted securities other than Rule 144A Securities for which a liquid institutional trading market is present.

Investing in Rule 144A Securities may decrease the liquidity of a Fund to the extent that qualified institutional buyers become for a time uninterested in purchasing these restricted securities. The purchase price and subsequent valuation of restricted and illiquid securities normally reflect a discount, which may be significant, from the market price of comparable securities for which a liquid market exists.

"Growth" Investing

"Growth" stocks can react differently to issuer, political, market, and economic developments than the market as a whole and other types of stocks. "Growth" stocks tend to be more expensive relative to their earnings or assets compared to other types of stocks. As a result, "growth" stocks tend to be sensitive to changes in their earnings and more volatile than other types of stocks.

"Value" Investing

"Value" stocks can react differently to issuer, political, market, and economic developments than the market as a whole and other types of stocks. "Value" stocks tend to be inexpensive relative to their earnings or assets compared to other types of stocks. However, "value" stocks can continue to be inexpensive for long periods of time and may not ever realize their full value.

Important Facts

What you own

You own units of a portfolio that invests primarily in stocks, bonds and money market instruments. You do not have direct ownership of the securities in the Fund.

Price

The unit value of the Fund changes daily, based upon the market value of the underlying securities.

Information Accessibility

Since this is not a mutual fund, information is not available from a newspaper or other public information sources. The plan's recordkeeper will provide your account information over the internet and through an automated telephone system.

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Prospectus Information

The Socially Responsible Fund is a portfolio of assets managed specifically for your plan. Unlike a mutual fund, only the participants of your plan can invest in the Fund. Therefore, because it is not a mutual fund, a prospectus is not available. This summary is designed to provide descriptive information.

Additional Disclosures

The S&P500® Index is an unmanaged index of the common stock prices of 500 widely held stocks. The Barclays U.S. Aggregate Bond Index is an unmanaged, market-value weighted index of investment-grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities with maturities of one year or more. No fees or commissions are subtracted from index returns and it is not possible to invest directly in a market index.

The Fund may use futures, options, or other derivatives, and is operated by a person who has claimed an exclusion from the definition of a commodity pool operator under the Commodity Exchange Act and is, therefore, not subject to registration or regulation under that Act. The investment managers may use futures, options, swaps, or other derivatives as a substitute for taking a position in the underlying asset; to seek to take advantage of changes in securities prices, interest rates, and other factors affecting value; to hedge risk; to maintain liquidity; or for other reasons. Each of these strategies has its own risks and could decrease the value of the Fund. The managers of the Fund currently do not expect to make significant use of derivatives in implementing its investment strategy.